

## ■ Food and Consumer Service

Nutrition is one of USDA's central missions, and it is the bridge between the farmer and consumer. The Food and Consumer Service (FCS) administers USDA's nutrition assistance programs, with the dual mission of improving the Nation's health by getting food to people who need it, and strengthening the agricultural economy.

USDA has made nutrition and nutrition education integral components of all its domestic nutrition programs. These programs provide access to healthy diets for many needy Americans, and important markets for agricultural commodities. Overall, the nutrition programs reach one out of every five Americans.

At the same time, USDA is committed to ensuring that the programs operate accurately and efficiently. FCS works closely with the States to ensure that benefits are received only by those who are eligible, and to catch and punish people who seek to abuse the programs for their own gain.

For FY 1996, the total appropriation for the nutrition assistance programs was \$39.9 billion—or nearly 65 percent of the entire USDA budget of \$61.9 billion. The 1997 FCS appropriation is \$40.4 billion.

Most of the programs are directed at low-income Americans or school children. They include:

- The Food Stamp Program
- The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
- The National School Lunch Program
- The School Breakfast Program
- The Nutrition Education and Training Program
- The Emergency Food Assistance Program
- The Child and Adult Care Food Program
- The Homeless Children Nutrition Program
- The Commodity Supplemental Food Program
- The Summer Food Service Program
- The Special Milk Program
- The Nutrition Program for the Elderly
- The Food Distribution Program on Indian Reservations
- The WIC Farmers Market Nutrition Program
- The Commodity Distribution Program for Charitable Institutions
- The Nutrition Assistance Program in Puerto Rico and the Northern Mariana Islands

FCS is also the primary Federal Agency that delivers food assistance in response to disasters. The Agency includes an Office of Consumer Affairs.

■ **Nutrition Program Fact:**

*Determining eligibility: Many of USDA's nutrition programs use household income as a guideline for program eligibility. Depending on the program rules, household income of 100 percent, 130 percent, or 185 percent of the Federal poverty level may be used to determine levels of eligibility. For FY 1996, 100 percent of the poverty guideline was \$15,600 a year for a family of four; 130 percent was \$20,280 a year; and 185 percent was \$28,860 a year. Federal poverty guidelines are established by the Office of Management and Budget, and are updated annually by the Department of Health and Human Services.*

## The Food Stamp Program

The Food Stamp Program is the cornerstone of USDA's nutrition assistance programs. The program helps low-income households increase their food purchasing power and obtain a better diet. It is the primary source of nutrition assistance for low-income Americans. Initiated as a pilot program in 1961 and made permanent in 1964, the program issues monthly allotments of coupons that are redeemable at retail food stores, or provides benefits through Electronic Benefit Transfer (EBT).

The Food Stamp Program serves the most needy among the Nation's population. More than half of all food stamp participants are children. Almost 90 percent of all food stamp households have incomes below the Federal poverty level, and 41 percent have incomes that are half or less of the poverty level. Ten percent have no income at all.

Increasingly, paper food stamp coupons are being replaced by EBT, a computerized system in which participants use magnetic strip cards to access their food stamp account at the point of sale. As of August 1996, 5 States were operating EBT systems statewide, and a total of 14 States had operational EBT systems for all or part of their caseload. Almost all other States were in some stage of EBT development. By eliminating paper coupons and creating an electronic record of every food stamp transaction, EBT will be a useful tool in improving program delivery and in reducing certain types of food stamp fraud and trafficking.

EBT is only one component of FCS's commitment to Food Stamp Program integrity. The Agency works closely with the States to ensure that they issue benefits in the correct amounts, and only to people who are eligible. EBT has enhanced FCS's ability to catch those who abuse the program, and penalties have been increased for people who are caught. In addition, the Agency now has broader authority to review the performance of food retailers who participate in the program, and to quickly remove those who fail to follow program rules.

USDA also provides educational materials to integrate nutrition into the Food Stamp Program and to help food stamp recipients make better use of their benefits. More than 30 States have approved nutrition education plans, and receive Federal reimbursement for half of the cost of nutrition education and promotion activities. FCS provided seed money to 12 States in 1995 and to 10 States in 1996 for the development and evaluation of State nutrition support networks to foster public and private partnerships to extend nutrition promotion to more program participants.

**Eligibility:** Food stamp eligibility and allotments are based on household size and income, assets, and other factors. A household's gross monthly income cannot exceed 130 percent of the Federal poverty guidelines, and its net income cannot exceed 100 percent of the guidelines. Illegal aliens are not eligible to receive food stamp benefits, and the Welfare Reform Act of 1996 excluded many legal aliens from eligibility as well. In addition, the Act limited many able-bodied adults without dependents to 3 months of benefits in a 36-month period.

**Benefits:** The level of benefits a household receives is based on its household income. Average monthly benefits were more than \$73 per person in 1996. Households with no income receive the maximum monthly allotment of food stamps—\$400 for a family of four in FY 1997. The allotment is based on the cost of the Thrifty Food Plan, a low-cost model diet plan. The Food Stamp Program served an average of more than 25 million people each month in FY 1996.

**Funding:** The total Food Stamp Program appropriation was \$26.5 billion in FY 1996. For FY 1997, the appropriation is \$26.3 billion.

■ **Nutrition Program Fact:**

*How EBT works: Electronic Benefit Transfer (EBT) is a computerized system that allows food stamp customers to use a plastic card similar to a bank card to access their food stamp benefits. Eligible recipients have an account established for their monthly benefits. At the grocery checkout, they present the card, which is used to debit their food stamp account for the amount of eligible purchases. The funds are automatically transferred to the retailer's account, and an electronic record is made of the transaction. No money and no food stamps change hands.*

## The National School Lunch Program

The National School Lunch Program (NSLP) is a federally assisted meal program operating in more than 94,000 public and nonprofit private schools and residential child care institutions. It provides nutritionally balanced, low-cost or free lunches to almost 26 million children each school day.

The NSLP is usually administered by State education agencies, which operate the program through agreements with local school districts. FCS administers the program at the Federal level. School districts and independent schools that choose to take part in the lunch program receive cash reimbursement and donated commodity assistance from USDA for each meal they serve. In return, they must serve lunches

that meet Federal nutrition requirements, and they must offer free and reduced-price lunches to eligible children.

In 1994, in an effort to improve the nutritional quality of school meals, FCS launched the School Meals Initiative for Healthy Children, the first full-scale reform of the school lunch program since it was established in 1946. The centerpiece of the initiative was new regulations to update nutrition standards so that all school meals will meet the recommendations of the Dietary Guidelines for Americans. The new regulations became final in June 1995, and took effect at the beginning of school year 1996-97.

In support of USDA's School Meals Initiative, on October 6, 1994, Congress passed the Healthy Meals for Healthy Americans Act, requiring that all school meals conform to the Dietary Guidelines by school year 1996-97. The Healthy Meals for Children Act, passed in May 1996, expanded the range of menu planning options for schools, and reinforced the requirement that all school meals must meet the Dietary Guidelines.

Other elements of the initiative will teach and motivate children to make healthy food choices, cut administrative red tape, and continue to improve the quality of the commodities USDA provides to schools.

Recognizing that improved nutrition education empowers students to make healthy food choices, USDA established Team Nutrition as a part of the School Meals Initiative. Team Nutrition brings together public/private partnerships to implement a nutrition education program for children, as well as a training and technical assistance program to help school foodservice professionals deliver healthy school meals.

The campaign has produced significant results. USDA formed a groundbreaking partnership with the Walt Disney Company to develop healthy eating messages to be used on television. USDA also entered into a partnership with Scholastic, Inc., to deliver age-appropriate nutrition information to children in school and to their parents at home.

The second component of Team Nutrition, the Training and Technical Assistance Program, was designed to ensure that school nutrition and food service personnel have the education, motivation, training, and skills necessary to serve meals that meet USDA's nutrition standards and appeal to children.

The Department has also placed special emphasis on improving the quality of commodities donated to the National School Lunch Program. The Commodities Improvement Council was established in 1995 to promote the health of school children by improving the nutritional profile of USDA commodities while maintaining USDA's support for domestic agricultural markets. Based on the council's recommendations, USDA reduced the fat, sodium, and sugar content of commodities, and is now offering a wider variety of new low-fat and reduced-fat products.

USDA has made enormous progress in increasing the amount of fresh produce given to schools, and is now offering unprecedented amounts and varieties of fresh fruit and vegetables. A cooperative project with the Department of Defense (DOD) has allowed USDA to increase the variety of produce available to schools by utilizing DOD's buying and distribution system.

**Eligibility:** Any child, regardless of family income level, can purchase a meal through the NSLP. Children from families with incomes at or below 130 percent of

poverty are eligible to receive free meals. Children from families with incomes between 130 and 185 percent of poverty are eligible for reduced-price meals. Children from families with incomes over 185 percent of poverty pay the full, locally established price.

**Benefits:** Most of the support USDA provides to schools comes in the form of cash reimbursements for meals served. The reimbursement is highest for meals served to students who qualify to receive their meals free, and the lowest reimbursement is for students who pay full price. The cash reimbursement rates for school year 1996-97 were: Free, \$1.84; reduced price, \$1.44; and full price, \$.18. Schools may charge no more than 40 cents for a reduced-price meal.

In addition to cash reimbursements, schools are entitled to receive commodity foods, called “entitlement” foods, at an annually adjusted per-meal rate (currently 15 cents) for each meal they serve. Schools can receive additional commodities, known as “bonus” commodities, when these are available from surplus stocks purchased by USDA under price support programs. USDA commodities make up approximately 17 percent of the cost of the food served by the average school food authority. The remaining 83 percent is purchased locally by the school food authority.

**Funding:** For FY 1996, Congress appropriated \$4.4 billion for the National School Lunch Program. Additional funding, totaling more than \$673 million, is included for the purchase of entitlement commodity foods. The 1997 appropriation is \$5.02 billion, plus an additional amount totaling more than \$700 million for entitlement commodity purchases.

■ ***Nutrition Program Fact:***

*USDA commodity foods make up only about 17 percent of the cost of foods that are served to children in the National School Lunch Program. Nonetheless, more than 1 billion pounds of food, valued at more than \$670 million, was provided to schools by USDA in FY 1995.*

## The School Breakfast Program

The School Breakfast Program (SBP) provides cash assistance to States to operate nonprofit breakfast programs in eligible schools and residential child care institutions. The program operates in more than 65,000 schools and institutions, serving a daily average of more than 6.3 million children. The program is administered at the Federal level by FCS. State education agencies administer the program at the State level, and local school food authorities operate it in schools.

**Eligibility:** Any child at a participating school may purchase a meal through SBP. Children from families with incomes at or below 130 percent of the poverty level are eligible for free breakfasts. Children from families with incomes between 130 and 185 percent of the poverty level are eligible for reduced-price breakfasts. Children from families with incomes over 185 percent of poverty pay the full locally established price for their breakfasts.

**Benefits:** USDA supports the School Breakfast Program with cash reimbursements for meals served. For school year 1996-97, schools received reimbursements of \$1.02 for a free meal, \$.72 for a reduced-price meal, and \$.20 for a paid meal. Schools may charge no more than 30 cents for a reduced-price breakfast. There is no Federal limit placed on how much a school may charge for breakfast served to paying students—those from families with incomes above 185 percent of poverty.

**Funding:** For FY 1996, Congress appropriated \$1.2 billion for the SBP. The FY 1997 appropriation is also \$1.2 billion.

■ **Nutrition Program Fact:**

*The vast majority of children who participate in the School Breakfast Program—about 90 percent—receive their meals free or at a reduced price. That compares to 54 percent of children who receive free or reduced-price meals in the National School Lunch Program.*

## The Nutrition Education and Training Program

The Nutrition Education and Training (NET) Program is the nutrition education component of the food assistance programs for children: the National School Lunch Program, School Breakfast, Summer Food Service, and Child and Adult Care Food Programs.

The goal of NET is to provide leadership in promoting healthy eating habits for our Nation's children by offering effective educational experiences to help children make informed food choices as part of a healthy lifestyle.

The Secretary of Agriculture allocates funds to States each year in the form of grants, usually to the State education agency. The States use their grant funds to administer their NET programs. Each State employs a NET coordinator who assesses the needs for nutrition education in the State and develops a plan to address the identified needs, establishing priorities for use of the funds available in a given year.

**Eligibility:** All children participating in or eligible to participate in the USDA Child Nutrition Programs may receive nutrition education through NET.

**Funding:** In FY 1996, Congress appropriated \$10 million for the NET Program. For FY 1997, Congress made NET funding "discretionary," and the actual funding level has not been determined.

## The WIC Program

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is a grant program whose goal is to improve the health of pregnant, postpartum, and breastfeeding women, and infants and children up to 5 years old, by providing supplemental foods, nutrition education, and access to health care. A few State agencies provide food directly to participants, but most States provide WIC vouchers that can be used at authorized food stores for approved foods.

WIC provides each State with a set amount of money to serve its most needy WIC population. Because of documented successes of the WIC Program in improving the nutritional well-being of participants, it has received continuing political support, enabling it to expand to serve more eligible people. In FY 1996, preliminary figures showed that WIC served an average of more than 7.1 million people each month.

**Eligibility:** To be eligible for WIC, an applicant must meet State residency requirements, meet an income standard, and have been determined by a health professional to be at nutritional risk.

**Benefits:** In most States, WIC participants receive vouchers that allow them to purchase a monthly food package specially designed to supplement their diets. The foods provided are high in protein, calcium, iron, and vitamins A and C. WIC foods include iron-fortified infant formula and infant cereal; iron-fortified adult cereal; vitamin C-rich fruit or vegetable juice; eggs, milk, and cheese; and peanut butter, dried beans, or peas. Special therapeutic formulas and foods are provided when prescribed by a physician for a specified medical condition.

The Food and Consumer Service also encourages WIC mothers to breastfeed their babies whenever possible. WIC women who exclusively breastfeed their babies receive an enhanced food package that includes tuna and carrots.

**Funding:** The total appropriation for the WIC program in FY 1996 was \$3.7 billion. For FY 1997, Congress also appropriated \$3.7 billion.

■ **Nutrition Program Fact:**

*A 1990 USDA study showed WIC to be effective in improving the health of newborns and infants as well as mothers. Every \$1 spent on WIC, the study reported, saved up to \$3 in Medicaid costs.*

■ **Nutrition Program Fact:**

*FCS requires all States to take bids from or negotiate with manufacturers for the best rebate on each can of WIC infant formula purchased. In 1995, infant formula rebates amounted to over \$1 billion nationwide and funded services for nearly 1.6 million persons each month.*

■ **Nutrition Program Fact:**

*USDA estimates that WIC serves 45 percent of babies born in the United States.*

### The WIC Farmers' Market Nutrition Program

The WIC Farmers' Market Nutrition Program (FMNP), established in 1992, is funded through a Congressionally mandated set-aside in the WIC appropriation. The program has two goals: To provide fresh, nutritious, unprepared food, such as fruits and vegetables, from farmers' markets to WIC participants who are at nutritional risk; and to expand consumers' awareness and use of farmers' markets. This program, operated in conjunction with the regular WIC Program, is offered in 31 States and other jurisdictions.

**Eligibility:** Women, infants over 4 months old, and children who receive WIC program benefits, or who are WIC-eligible, may participate.

**Benefits:** Fresh produce can be purchased with FMNP coupons. State agencies may limit FMNP sales to specific foods that are locally grown to encourage participants to support the farmers in their own State.

**Funding:** The amount set aside in the WIC appropriation for FMNP for FY 1996 was \$6.75 million. The same amount was provided for FY 1997.

■ **Nutrition Program Fact:**

*Studies have shown that where the WIC Farmers' Market Nutrition Program has been available, WIC participants have consumed more fresh fruits and vegetables.*

### The Commodity Supplemental Food Program

The Commodity Supplemental Food Program (CSFP) is a program of grants to States, administered by FCS at the Federal level. CSFP provides commodity foods to supplement the diets of low-income infants; children up to the age of 6; pregnant, postpartum, and breastfeeding women; and persons 60 years of age and older.

CSFP operates at more than 70 sites in 17 States, the District of Columbia, and two Indian Tribal Organizations. USDA donates commodity foods to the State agencies for distribution, and provides funds to State and local agencies to cover certain administrative costs. The program served an average of more than 352,000 people each month in FY 1996.

**Eligibility:** State agencies that administer CSFP may establish a residency requirement and/or require applicants to be determined to be at nutritional risk in order to be eligible for program participation. To be income eligible, women, infants, and children must be eligible for benefits under existing Federal, State, or local food,

health, or welfare programs, and must not currently be receiving WIC benefits. Elderly persons must meet a low-income standard.

**Benefits:** There are six food packages for different categories of participants. The food packages are not intended to provide a complete and balanced diet, but rather are supplements that are good sources of the nutrients often lacking in participants' diets.

**Funding:** The 1996 appropriation for CSFP was \$86 million. For FY 1997, Congress appropriated \$166 million to be divided as the Secretary of Agriculture sees fit between CSFP and the Emergency Food Assistance Program (TEFAP).

## The Child and Adult Care Food Program

The Child and Adult Care Food Program provides healthy meals and snacks in child and adult day care facilities.

CACFP ensures that children and adults in day care receive healthy meals by reimbursing participating day care operators for their meal costs and providing them with USDA commodity food. Family day care homes must be overseen by sponsoring organizations, which also receive reimbursements from USDA for their administrative expenses.

The program generally operates in child care centers, outside-school-hours care centers, family and group day care homes, and some adult day care centers. In return for Federal support, day care providers in the CACFP must serve meals that meet Federal guidelines, and must offer free or reduced-price meals to eligible people.

First authorized as a pilot project in 1975, the program was formerly known as the Child Care Food Program. It was made a permanent program in 1978, and the name was changed in 1989 to reflect the addition of an adult component. CACFP is administered at the Federal level by FCS. State agencies or FCS regional offices oversee the program at the local level.

In June 1996, CACFP provided meals to more than 2 million children and nearly 45,000 adults.

**Eligibility:** At child and adult day care centers, participants from families with income at or below 130 percent of the poverty level may qualify for free meals; those from families with income between 130 percent and 185 percent of the poverty level may qualify for reduced-price meals; and those from families with income above 185 percent of the poverty level pay full price.

Under the Welfare Reform Act of 1996, Congress instituted a two-tier system of reimbursements for family day care homes. Under the new system, day care providers located in low-income areas, or whose own households are low income, will be reimbursed at a single rate (tier 1 reimbursement). Other providers will be reimbursed at a lower rate (tier 2 reimbursement) unless they choose to have their sponsoring organizations identify children who are income-eligible to receive free or reduced-price meals. Meals served to such income-eligible children will be reimbursed at the higher tier I level.

**Benefits:** Children and adults who attend day care facilities receive nutritious meals and snacks. Care providers receive reimbursement for eligible meals. Family

day care sponsoring organizations receive reimbursement for their administrative costs.

**Funding:** Congress appropriated \$1.6 billion for the CACFP in FY 1996. The 1997 appropriation is \$1.7 billion.

■ **Nutrition Program Fact:**

*More than 185,000 family day care homes and 30,000 day care centers participate in the Child and Adult Care Food Program.*

### The Homeless Children Nutrition Program

The Homeless Children Nutrition Program is designed to provide free food service throughout the year to homeless children under the age of 6 in emergency shelters. Sponsoring organizations are reimbursed for the meals that they serve. First established as a demonstration project by the Child Nutrition and WIC Reauthorization Act of 1989, the Homeless Children Nutrition Program was made permanent by the Healthy Meals for Healthy Americans Act of 1994. A total of 79 sponsoring organizations operate the program in 104 shelters, providing meals to more than 2,000 preschool-age children every month.

**Eligibility:** Public and private nonprofit organizations that operate emergency shelters may participate, but they may operate no more than five food service sites and may feed no more than 300 children per day at each site.

**Benefits:** Children may receive up to three meals and a snack, and sponsors are reimbursed for the meals and snacks they serve. Meals are provided free to the children.

**Funding:** For FY 1996, Congress appropriated \$2.6 million for the Homeless Children Nutrition Program. For FY 1997, the appropriation is \$3.1 million.

### The Summer Food Service Program

The Summer Food Service Program provides free meals to low-income children during school vacations.

SFSP was first created as part of a larger pilot program in 1968, and became a separate program in 1975. The SFSP served more than 2 million children a day during the summer of 1995.

The program is administered at the Federal level by FCS. Locally, it is operated by approved sponsors, which receive reimbursement from USDA for the meals they serve.

Sponsors provide meals at a central site such as a school or community center. Any child, or any adult with a disability, within the program's operating area can participate. All meals are served free.

The Summer Food Service Program operates in low-income areas where half or more of the children are from households with income at or below 185 percent of the Federal poverty guideline. Feeding sites that primarily serve homeless children may

participate regardless of location. Residential camps also may get reimbursement for eligible children through the SFSP.

**Eligibility:** Children 18 and under, and people over 18 who are handicapped and who participate in a program established for the mentally or physically handicapped, may receive meals through the Summer Food Service Program.

**Benefits:** At most sites, participants receive either one or two meals a day. Residential camps and sites that primarily serve children from migrant households may be approved to serve up to four meals per day. Sponsors are reimbursed for documented operating and administrative costs.

**Funding:** Congress appropriated \$280.3 million for the Summer Food Service Program in FY 1996. For FY 1997, the appropriation is \$288.4 million.

■ **Nutrition Program Fact:**

*Some 25 million children eat school lunch every day when school is in session, and about half of them receive their meals free or at a reduced price. The Summer Food Service Program offers those children nutritious food when school is not in session. However, only about 2 million children currently are able to participate, because many communities do not sponsor the program.*

## The Special Milk Program

The Special Milk Program provides milk to children in schools and child care institutions that do not participate in other Federal meal service programs. The program reimburses schools for the milk they serve.

Schools in the National School Lunch or School Breakfast Programs may also participate in the SMP to provide milk to children in half-day prekindergarten and kindergarten programs where children do not have access to the school meal programs.

Expansion of the National School Lunch and School Breakfast Programs, which include milk, has led to a substantial reduction in the SMP since its peak in the late 1960's.

**Eligibility:** Any child at a participating school or kindergarten program can get milk through the SMP. Children may buy milk or receive it free, depending on the school's choice of program options. When local officials offer free milk under the program, any child from a family that meets income guidelines for free meals and milk is eligible.

**Benefits:** Participating schools and institutions receive reimbursement from the Federal government for each half-pint of milk served. They must operate their milk programs on a nonprofit basis. They agree to use the Federal reimbursement to reduce the selling price of milk to all children.

**Funding:** Congress appropriated \$18.6 million for the program in FY 1996. The 1997 appropriation is \$19.2 million.

■ **Nutrition Program Fact:**

*In 1995, more than 151 million half-pints of milk were served through the Special Milk Program.*

## Nutrition Program for the Elderly

The Nutrition Program for the Elderly helps provide elderly persons with nutritionally sound meals through meals-on-wheels programs or in senior citizen centers and similar settings.

The NPE is administered by the U.S. Department of Health and Human Services, but receives commodity foods and financial support from USDA under provisions of the Older Americans Act of 1965. USDA provided reimbursement for more than 250 million meals in FY 1995.

**Eligibility:** Age is the only factor used in determining eligibility. People age 60 or older and their spouses, regardless of age, are eligible for NPE benefits. There is no income requirement to receive meals under NPE.

**Benefits:** Each recipient can contribute as much as he or she wishes toward the cost of the meal, but meals are free to those who cannot make any contribution.

Under NPE, USDA provides cash reimbursements and/or commodity foods to organizations that provide meals through DHHS programs. Meals served must meet a specified percentage of the Recommended Dietary Allowances (RDA's) in order to qualify for cash or commodity assistance.

**Funding:** Congress appropriated \$150 million for NPE for 1996. The 1997 appropriation is \$140 million.

■ **Nutrition Program Fact:**

*Indian tribal organizations may select an age below 60 for defining an "older" person for their tribes for purposes of eligibility for the Nutrition Program for the Elderly.*

## The Food Distribution Program on Indian Reservations

This program provides monthly food packages to Indians living on or near reservations and in the Marshall Islands of the Pacific. Many Native Americans participate in the FDPIR as an alternative to the Food Stamp Program if they do not have easy access to food stores. An average of nearly 114,000 Native Americans and 2,800 Marshall Islanders received food through FDPIR each month in 1995.

The program is administered at the Federal level by FCS in cooperation with State agencies. USDA provides food to the State agencies, which are responsible for program operations such as storage and distribution, eligibility certification, and nutrition education.

The foods in the current food packages were recommended in 1986 by a USDA task force to meet the health needs and preferences of Native Americans. USDA also provides nutrition information in the monthly food package, with suggestions for making the most nutritious use of the commodity foods.

**Eligibility:** To participate in FDPIR, the household must be low-income, have assets within specified limits, and be located on or near an Indian reservation. The income limits used to determine FDPIR eligibility are based on Food Stamp Program monthly income limits, but are slightly higher.

**Benefits:** USDA donates a variety of foods to help participants maintain a balanced diet. These commodities include canned meats and fish products; vegetables, fruits, and juices; dried beans; peanuts or peanut butter; milk, butter, and cheese; pasta, flour, or grains; adult cereals; corn syrup or honey; and vegetable oil and shortening.

Each program recipient receives a monthly food package that weighs 50 to 75 pounds and contains a variety of foods.

**Funding:** Congress appropriated \$65 million for FDPIR in FY 1996. For FY 1997, Congress provided \$73.8 million under Food Stamp Program funding for FDPIR.

■ **Nutrition Program Fact:**

*A recipe book, Quick & Easy Commodity Recipes for the Food Distribution Program on Indian Reservations, was released for use by FDPIR participants in 1990. The book was developed as part of a 5-year nutrition education plan. USDA also distributes a series of 12 nutrition and health fact sheets for FDPIR participants.*

## The Emergency Food Assistance Program

Originally named the Temporary Emergency Food Assistance Program, TEFAP provides food assistance to needy Americans through the distribution of USDA commodities. Under TEFAP, commodities are made available to States for distribution to households for use in preparing meals for home consumption, or to organizations that prepare and provide meals for needy people. Foods distributed for home use are free, but recipients must meet program eligibility criteria set by the States. Local agencies, usually food banks, shelters, and soup kitchens, are designated by the States to distribute the food.

TEFAP was first authorized in 1981 to distribute surplus commodities to households. Its aim was to help reduce Federal food inventories and storage costs while assisting the needy. The 1988 Hunger Prevention Act required the Secretary of Agriculture not only to distribute surplus foods, but also to purchase additional food for further distribution to needy households.

Available foods vary depending on market conditions. Typically, canned and dried fruits, canned vegetables, canned meats, peanut butter, butter, and cornmeal are available. Quantities of any particular commodity food vary, and States may rotate distribution of some foods from area to area so that each county receives its fair share at some time during the year.

**Eligibility:** Each State sets criteria for determining what households are eligible to receive food for home use. Income standards may include participation in any other existing Federal, State, or local food, health, or welfare program for which income is considered as a basis for eligibility.

Each State can adjust the income criteria based on the level of need in order to ensure that assistance is provided only to those most in need.

**Benefits:** An estimated 1.8 million households were served by TEFAP each month in FY 1995. TEFAP has provided billions of pounds of food since its beginning. More than 1 billion pounds, valued at \$846 million, was distributed at the program's height in 1987. In 1995, nearly 96 million pounds of food, worth more than \$52 million, was distributed.

**Funding:** Congress appropriated \$40 million for TEFAP in 1996. Under the Welfare Reform Act of 1996, \$100 million of the Food Stamp Program appropriation is earmarked specifically for the purchase of TEFAP commodities for fiscal years 1997 through 2002. For FY 1997, Congress appropriated \$100 million under Food Stamp Program funding to purchase commodity foods for TEFAP. Another \$166 million was also appropriated, to be divided between TEFAP and the Commodity Supplemental Food Program as the Secretary sees fit. The additional TEFAP funding could be used for additional food purchases, or to provide administrative support for the local agencies that handle TEFAP distribution.

## Food Donations to Charitable Institutions, Soup Kitchens, and Food Banks

Thousands of charitable institutions throughout the country rely on foods donated by USDA to help provide meals to needy people. These charitable groups range from churches operating community kitchens for the homeless and destitute, to orphanages and homes for the elderly. Other eligible groups include meals-on-wheels programs, soup kitchens, temporary shelters, correctional institutions offering rehabilitative activities, group homes for the mentally retarded, and hospitals that offer general and long-term health care.

Foods donated to charitable institutions come from agricultural surpluses acquired by USDA as part of its price stabilization and surplus removal activities. In addition, States generally make commodities from TEFAP available to food banks, food pantries, shelters, and soup kitchens for use in providing food assistance to the needy.

**Eligibility:** To participate, charitable institutions must be nonprofit and must serve meals on a regular basis. They may be either public or nonprofit private institutions that have Federal tax-exempt status. Interested groups apply for participation to their State's distributing agency, which determines eligibility based on standards set by USDA.

**Benefits:** Throughout the year, USDA acquires a variety of foods through its programs designed to stabilize farm prices. USDA has this food processed, packaged, and transported to designated locations within each State. State distributing agencies supply the food to eligible institutions and other users of donated foods.

The kinds and quantities of food donated to charitable institutions vary, depending on crop and market conditions. Generally, the foods donated include such products as canned fruits, juices, and vegetables, frozen and canned meats, raisins, honey, and butter. Other foods may become available when there is a surplus, but such surpluses are usually limited in quantity. Many of the same foods are available for soup kitchens and food banks.

**Funding:** Congress appropriated \$40 million for FY 1996 specifically to provide food to soup kitchens and food banks. The cost of foods donated to other charitable institutions varies depending on market conditions. For FY 1997, soup kitchens and food banks will receive food through TEFAP.

■ **Nutrition Program Fact:**

*In 1995, USDA provided more than 185 million pounds of food to charitable institutions, soup kitchens, and food banks.*

## The Nutrition Assistance Programs in Puerto Rico and the Commonwealth of the Northern Mariana Islands

The Food Stamp Program in Puerto Rico and the Northern Marianas was replaced in 1982 by a block grant program. The two territories now provide cash and coupons to participants rather than food stamps or food distribution. The Nutrition Assistance Program (NAP) grant can also be used to fund up to 50 percent of Puerto Rico's administrative expenses for the program, or to fund special projects related to food production and distribution.

The NAP for the Commonwealth of the Northern Marianas provides annual block grant funds for food assistance to the needy. The Northern Marianas NAP uses food coupons, similar to food stamps used in the 50 States.

**Eligibility:** Puerto Rico and the Northern Marianas determine eligibility and allotments for their programs based on household size, income, assets, and other factors.

**Benefits:** The NAP in Puerto Rico served an average of 1.37 million persons in FY 1995. Average monthly benefits were \$66.30 per person.

In the Northern Marianas, the NAP served an average of 3,842 people each month in 1994, with average monthly benefits of \$77.06 per person.

**Funding:** The total appropriation for the NAP in Puerto Rico for FY 1996 was \$1.143 billion. For 1997, the appropriation is \$1.174 billion. The appropriation for the Northern Marianas was \$5.1 million in FY 1996.

## USDA Disaster Assistance

FCS is the primary Agency responsible for providing Federal food assistance in response to disasters. FCS provides assistance through the Food Distribution Program and the Disaster Food Stamp Program.

**Food Distribution Program:** FCS can provide USDA-donated food assistance through State distributing agencies. All States have some stocks of USDA food on hand for use in their commodity programs for schools or needy people. These stocks can be released immediately for use in a disaster situation.

Upon request from a State, FCS will procure additional food to meet the needs of people affected by a disaster. Nearby States also may be asked to release their stocks of USDA food to help feed disaster victims. State distributing agencies then distribute the food to preparation or distribution sites. Disaster relief agencies such as the American Red Cross prepare the food at shelters and other mass care facilities.

The State may also request that food be made available for household distribution, if commercial channels of food supply are not available because of the disaster.

**Disaster Food Stamp Program:** When commercial channels of food supply are still operable, or have been restored following a disaster, a State may request approval from the Secretary of Agriculture to operate the Disaster Food Stamp Program.

If approval is granted, FCS provides on-site guidance for establishing and operating the disaster program. FCS ensures that an adequate supply of food stamp coupons is available. State and local officials are responsible for determining the eligibility of households to receive disaster food stamps, and for issuing the benefits.

■ **Nutrition Program Fact:**

*In FY 1995, FCS provided nearly \$1 million in commodities to areas struck by natural disasters:*

<b>State</b>	<b>Commodities</b>
<i>Texas (floods)</i>	<i>\$610,200</i>
<i>California (floods)</i>	<i>\$303,950</i>
<i>Total</i>	<i>\$914,150</i>

*FY 1996 was a much harder year for natural disasters. According to early estimates, FCS provided more than \$18 million during FY 1996 in commodities and disaster-related food stamp benefits to victims of floods and hurricanes.*

■ **Nutrition Program Fact:**

*How to apply: People who want to apply for any of the nutrition assistance programs that FCS operates must do so through the appropriate State agency, since the programs are administered at the State and local levels by various public and private organizations. In general, applicants for the largest programs should contact the following State or local agencies:*

- *Food Stamp Program: State welfare agency*
- *School Lunch or School Breakfast (free and reduced-price meals): Neighborhood school or local school authority*
- *WIC program: State or local public health office*

*For programs not listed above, State and local welfare agencies, health departments, or education agencies can provide information about what programs are available and how and where to apply.*

## The Office of Consumer Affairs

The Office of Consumer Affairs (OCA) links FCS, consumer groups, and FCS program stakeholders. OCA advises the Under Secretary for Food, Nutrition, and Consumer Services on consumer and constituent issues and concerns.

OCA arranges periodic meetings, briefings, and roundtables on USDA and FCS policy for the public, consumer representatives, and program stakeholders. It provides public access to a wide range of USDA and FCS documents such as speeches, regulatory proposals, and studies, through the Internet and other electronic media, and it responds to consumer requests for assistance and information on USDA policy and procedures.

The OCA director reports to the Under Secretary for Food, Nutrition, and Consumer Services, and receives managerial and administrative support from FCS.